GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3987
ANSWERED ON:14.12.2001
IMPORT OF VANASPATI
A.K. MOORTHY;A.K. PREMAJAM;MINATI SEN

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Union Government have been urged to lift restrictions on the usage of indigenous or imported oils in the manufacture of vanaspati;

(b) whether imports of Vanaspati from Nepal with full exemption of customs duty have flooded several States and is hurting the domestic industry;

(c) if so, whether the Union Government have initiated steps in this regard;

(d) if so, the details thereof; and

(e) if not, the reasons thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION V.SREENIVASA PRASAD)

(a): Yes, Sir.

(b), (c), (d) & (e) : The Government of India are aware of the increasing imports of vegetable oils from Nepal under Indo-Nepal Treaty of Trade, as modified in December, 1996, which provides for access to the Indian market for the articles manufactured in Nepal without payment of custom duty and without quantitative restriction irrespective of the sourcing of the raw materials. The imports of vegetable oils from Nepal have increased from a negligible quantity of less than 70 MTs in 1996-97 to 54,102 MTs in 1999-2000 and 90,951 MTs in 2000-2001 (April, 2000-February, 2001).

As provided under the Treaty, the process of consultation with His Majesty`s Governmentof Nepal for taking appropriate measures to address the concerns of Indian industry has been initiated.